

AGREEMENT OF LEASE

1. PARTIES

THIS AGREEMENT OF LEASE executed this _____ day of April, 2019, by and between Town of Mt. Airy, a municipal corporation organized under the laws of the State of Maryland (Landlord), 110 South Main Street, Mt. Airy, Maryland 21227 (address) and Med.One Pharmacy, Inc., 1 North Main Street, Mt. Airy, Maryland 21771 (Tenant).

2. PREMISES, ACCESS AND PARKING

- A. In consideration of the mutual promises hereafter set forth Landlord hereby leases to Tenant approximately 500 square feet, which is the front portion of the building and the same space currently occupied by the pharmacy business as of this date, and known as 1 N. Main Street, Mt. Airy, MD 21771 for mailing address purposes, located within a building known as 1 N. Main Street, Mt. Airy, MD 21771 (building address) (hereinafter: the "Premises"), subject to the terms and conditions herein.
- B. Premises are leased in as-is condition except as specifically provided herein.
- C. Tenant may park employee and visitor vehicles on the property of which the Premises is a part subject to assignment of specific parking spaces by Landlord should, in the option of the Landlord, such assignment prove necessary.

3. TERM

- A. This Lease shall commence on May 1, 2019 (hereafter the "Commencement Date") and shall, subject to the provisions of Paragraph 18 below, terminate at the expiration of three (3) years from the Commencement Date without the necessity of notice from either party to the other.

4. RENT AND UTILITIES

- A. Tenant shall pay to the Landlord an annual rent of Sixteen Thousand and Eight Hundred and No/100 Dollars (\$16,800.00). The monthly rent is One Thousand Four Hundred and No/100 Dollars (\$1,400.00).
- B. Landlord will pay building insurance (excluding Tenant contents) and some common area maintenance, if any, excluding snow removal. Because at the Commencement of this Lease, Landlord is a municipality, it is exempt from real property taxes. However, in the event that the Property is conveyed, and the rights of the Landlord under this Lease is assigned, to a taxable person or entity, Landlord shall be responsible to pay real property taxes on the Property.

- C. Tenant shall establish accounts with providers of electric, heat and other necessary utility services to the Premises, and shall be responsible for payment of the same, with the exception of water and sewer utilities, which shall be included in the monthly rent. Tenant shall pay only for electric and telecom services used and not for other tenants or Landlord usage.
- D. Each payment of Rent shall be made promptly and in advance ON THE FIRST DAY OF EACH MONTH when due without deduction or set-off and without demand. Tenant shall pay to Landlord, as Additional Rent, a late charge equal to Five Percent (5%) of such late payment for each month or portion thereof for which payment is due but unpaid for more than Five (5) Days.
- E. Tenant shall deliver or mail the Rent and Additional Rent to the Landlord at the Landlord's address hereinabove, or to such agent of Landlord or at such other address or in such other manner as Landlord may specify in written notice from time to time. Landlord may credit any payment to the payment of rent then past due before crediting the current rent falling due. Landlord's acceptance of any payment less than the amount then due shall not alter or impair Landlord's rights to be paid all of such amount then due, or in any other respect.

5. PREPAYMENT OF FIRST MONTH'S RENT

- A. Landlord acknowledges that Tenant has paid herewith the first month's rent, being the sum of One Thousand Four Hundred and No/100 Dollars (\$1,400.00).

6. USE OF THE PREMISES, ENVIRONMENTAL PRECAUTIONS, SIGNS

- A. Tenant shall use the Premises for the purposes of a Pharmacy, and shall not permit the Premises to be occupied or used by any other person or for any other purpose without prior written approval of the Landlord, which shall not be unreasonably withheld.
- B. Tenant shall not use the Premises in violation of any ordinance, law, zoning, deed, covenant, fire regulation or other regulation of any kind. Tenant shall be responsible for obtaining any permits and for meeting any other conditions required by governmental authorities as a condition of use of the Premises by Tenant.
- C. Tenant agrees to erect or maintain only signage pre-approved in writing by Landlord, and only as pre-approved by Carroll County and other governmental agencies having authority therefore. Signage shall be kept clean, legible and in good state of repair by Tenant. Signage not in compliance with the provisions herein is subject to removal by the Landlord if not so brought into compliance thirty (30) days after written notice

to Tenant. Tenant's signage as of the date of execution of this Lease by Landlord is herein approved upon the execution of this Lease by Landlord.

- D. Tenant shall not use, in any way, or permit or suffer the use of the Premises or any part thereof, either directly or indirectly, for the preparation, production, generation, manufacturing, refining, treatment, transportation, storage, maintenance, handling, disposal of, transfer, or processing of any Hazardous Substance except as may be incident to the pharmacy business, and all of which shall be received, stored and/or removed by Tenant from the Premises in compliance with all requirements of governmental authorities applicable thereto, including prior to the expiration or termination of this Lease, at Tenant's sole cost and expense. "Hazardous Substance" means any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable, explosive, radioactive material, urea formaldehyde foam insulation, asbestos, PCB's, or any other substances, the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling, disposal, discharge or ownership of which is restricted, prohibited, regulated or penalized by any federal, state, county or municipal statutes or laws, rules or regulations now or at any time hereafter in effect, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability ACT (42 USC §9601 et. seq.); and the Resource Conservation and Recovery Act (42 USC §6901 et.seq.) as these laws have been or may be amended or supplemented.

Tenant represents and warrants that no Hazardous Substance will be stored on the Premises or in any part thereof, except as required and/or incidental to the pharmacy business and in that even in full compliance with all applicable law, and that during the Term of this Lease, no Hazardous Substance will be discharged, spilled or leaked on or within the Premises or the improvements thereto. Tenant agrees that such representations and warranties shall survive any termination of this Lease and Tenant agrees to indemnify, defend and hold the Landlord harmless from any and all costs, expenses, claims and damages, including but not limited to attorney's fees and costs of remediation, arising from Tenant's breach of any of the agreements, prohibitions, representations, and/or warranties of this Lease.

7. IMPROVEMENT, REPAIRS AND MAINTENANCE

- A. Tenant shall make no alterations, additions or improvements without Landlord's prior written consent, which shall not be unreasonably withheld. Landlord shall render such approval or disapproval within ten (10) days of receipt of the planned improvements. All such alterations, additions or improvements shall be at the Tenant's sole expense and Tenant shall hold Landlord harmless from any costs incurred therefore. All improvements shall be pre-approved in writing, generally by way of building permit, by the requisite governmental authority. Any roof

penetration required for Tenant needs shall be undertaken, at Tenant's expense, by Landlord's roofing contractor in order to preserve Landlord's roof warranty and the watertight integrity of the roofing system.

- B. All improvements, repairs, alterations and other property attached to the Premises by the Landlord or Tenant shall be the property of the Landlord except that any machinery, equipment, or fixtures installed by Tenant and used in the conduct of its business shall remain the Tenant's property.
- C. Landlord shall upon reasonable notice from the Tenant make necessary structural repairs to exterior walls of the Premises and shall keep in good order, condition, and repair the exterior foundation and roof of the building of which the Premises is a part, excluding the exterior and interior of all windows, doors, and signs, all of which shall be the responsibility of the Tenant, and further excluding any damage caused by any act, omission or negligence of the Tenant or any of its employees, agents, invitees, licensees or contractors, which damage, whether interior to the Premises or relating to the exterior of the building or improvements to the property of which the Premises is a part, shall be promptly repaired by Tenant to a condition equal or better than that prior to the damage, at the Tenant's sole expense.
- D. Tenant shall be responsible for its pro-rata share (currently 1/3) of total costs for exterior property landscaping and snow removal, not to exceed One Thousand and Two Hundred and No/100 Dollars (\$1,200.00) annually. Landlord will bill tenant for these costs on a quarterly basis and tenant shall be responsible to pay such costs with the following monthly rent.
- E. Tenant shall at its own cost and expense keep and maintain all of the interior of the Premises in good order, condition and repair, except repairs itemized above as Landlord's responsibility.

8. SURRENDER UPON EXPIRATION

- A. Upon expiration of the term or any earlier termination, Tenant shall promptly surrender to the Landlord possession of the Premises (excluding only any such fixtures to be removed by Tenant as hereafter provided) in good order and repair (ordinary wear and tear excepted) and broom clean, and shall remove Tenant's goods and affects and any equipment and trade fixtures used by Tenant and not owned by Landlord. Tenant shall repair any damage to the Premises or the Building caused by such removal.
- B. If Tenant holds over at the end of the Lease Term without the written consent of Landlord, Tenant shall be deemed a tenant-at-sufferance and Tenant shall pay to Landlord, during each month or partial month of such holdover period, as liquidated

damages, a sum equal to 150% of the monthly rent paid by Tenant to Landlord during the Lease Term; provided, however, that acceptance of Rent by Landlord shall not be interpreted as a grant of permission for Tenant to continue in possession of the Premises beyond the expiration or sooner termination of this Lease.

9. RIGHT OF ENTRY

Landlord shall have the right to enter the Premises during a bona fide emergency, or during business hours, or at the other times upon prior notification of Tenant to allow Tenant reasonable time to accompany the visit. Tenant shall provide Landlord current keys to the Premises at all times.

10. ASSIGNMENT AND SUBLETTING

Tenant shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate, or encumber this Lease or any interest therein. Tenant shall not sublet or allow used Premises or any part thereof by other parties without first obtaining written consent of the Landlord, which shall not be unreasonably withheld.

11. DEFAULT

- A. Each of the following shall constitute, and is hereinafter referred to as, an event of default:
 - 1. Failure of Tenant to pay rent or any other sum required under this Lease, when due and payable; or
 - 2. Failure to perform any other obligation under this Lease.
- B. On the occurrence of an event of default, Landlord shall not exercise any right or remedy which it holds unless and until the Landlord has given written notice thereof to Tenant, and Tenant has failed, if the event of default consists of a failure to pay money within ten (10) days thereafter to pay all of such money, within thirty (30) days thereafter, actively, diligently and in good faith to begin cure such event of default and to continue thereafter to do so until fully cured; provided, that no such notice shall be required and Tenant shall not be entitled to a grace period (a) more than once during any twelve (12) month period; (b) if Tenant has substantially terminated or is in the process of substantially terminating its continuous occupancy and use of the Premises; (c) if Tenant uses the Premises of a purpose not permitted herein.
- C. On the occurrence of any event of default, Landlord may take any or all of the following actions: re-enter and repossess the Premises and any and all improvements

and additions thereto; declare the entire balance of the rent for the remainder of the Term due to payable and collect the same in any manner not inconsistent with law; terminate this Lease; cure such event of default in any other manner after giving Tenant written notice of Landlord's intention to do so, in which event Tenant shall reimburse the Landlord of all expenses incurred, including attorneys' fees and costs of litigation, plus interest at the annual rate of eighteen (18%) percent plus interest which reimbursement and interest shall be deemed additional rent payable by Tenant; and/or pursue any combination of such remedies and/or any other remedy available to Landlord under applicable law. In event of default, Landlord shall attempt to relet the Premises, on a best efforts basis, for the Tenant's account for the remainder of the Term or for a period exceeding such remainder, in which event Tenant shall pay to the Landlord, at the times specified hereinabove, the Rent and any additional rent accruing during such remainder, less any monies received by Landlord from such reletting, as well as paying the cost to the Landlord of any reasonable attorney's fees, litigation costs, repairs or other action taken by the Landlord on account of such event of default.

- D. No action by Landlord under this Section shall operate as a waiver of any right, which Landlord would otherwise have against Tenant, and Tenant shall remain responsible for any loss and/or damage suffered by Landlord by reason of any event of default.

12. INSURANCE AND INDEMNITY

- A. Tenant shall not do or permit to be done any act which will cause any policy of insurance covering the property or liability of the Landlord to become void or suspected or which (in the reasonable opinion of the insurer) would make the insurance risk under such policies greater.
- B. The Tenant agrees to provide and maintain public liability insurance at Tenant's expense, in which the Landlord shall be named as additional insured, and to furnish Landlord with a certificate showing such insurance is continually kept in force, and that Landlord is protected thereby with minimum limitations of at least \$1,000,000.00 combined single limit. Tenant's liability insurance shall at a minimum cover bodily injury, property damage, as well as "personal injury" and "advertising injury" as those terms are defined in the standard Commercial General Liability issued by the Insurance Services Organization (ISO) current as of the Commencement Date. The Tenant shall immediately furnish the Landlord with evidence of any notice of any cancellation of any insurance policy covering the interest of the Landlord in the demised premises.
- C. Tenant shall during the entire term hereof keep in full force and effect a policy of insurance upon the interior portions of the demised premises, its fixtures, equipment and stock of good against loss by fire, windstorm, explosion and related perils, and

for extended coverage in reasonable amounts as may be required by Landlord, in which policy both Landlord and Tenant shall be named as parties covered thereby as their respective interest may appear. Tenant shall furnish Landlord with a certificate of insurance or other acceptable evidence that such insurance is in force and evidence that premiums have been paid by Tenant within ten (10) days prior to the due date of the same.

- D. Tenant shall indemnify, defend and hold harmless Landlord of and from any and claims for bodily injury, property damage, as well as "personal injury" and "advertising injury" as those terms are defined in the standard Commercial General Liability issued by the Insurance Services Organization (ISO) current as of the Commencement Date caused by or in any way arising, directly or indirectly, from Tenant's operations or occupancy of the Premises, including but not limited to claims brought by or on behalf of Tenant's invitees and/or employees, unless caused solely by the negligence or other wrongdoing of the Town.

13. FIRE AND OTHER CASUALTIES

- A. If the Premises is partially damaged by fire or other casualty,
 - 1. Landlord shall restore the Premises with reasonable promptness, but in any event within 180 days after the date of such casualty, to substantially return it to its prior condition. Landlord shall not be obligated to repair, restore or replace any fixture, improvement, alteration, furniture or other property, owned, installed or made by Tenant.
 - 2. If Landlord undertakes restoration and the same is not completed within the times provided for, then Tenant may terminate this Lease by written notice to the Landlord within thirty (30) days after the expiration of such period.
 - 3. If Tenant is deprived of the use of any or all of the Premises on account of such casualty, the rent shall abate in proportion to the number of square feet rendered substantially unfit for occupancy. If the undamaged portion of the Premises is made materially unsuitable for use for the Tenant's purposes, in that event the rent shall abate entirely during the time of deprivation.
- B. If the Building is so damaged by fire or other casualty that the entire Premises or Building is rendered substantially unfit for occupancy as originally determined by Landlord, then Landlord may elect to terminate this Lease as of the date of casualty by giving written notice thereof to Tenant within thirty (30) days after such date; and in that event Tenant shall pay Landlord the Rent incurred through the date of

termination and Landlord shall repay to Tenant any periods beyond termination and Landlord may enter and repossess the Premises without further notice.

14. ESTOPPEL CERTIFICATES

Tenant shall from time to time, within five (5) days of being requested execute, seal, acknowledge and deliver to Landlord, or at Landlord's request any Mortgagee, an instrument in recordable form, certifying that this Lease is unmodified and in full force and effect (or, if there has been any modification that is in full force and effect as so modified, stating the nature of such modification), the dates to which the Rent and Additional Rent have been paid, the amount of any prepaid rent or credit due to the Tenant, that Tenant has accepted possession, as to whether to the best knowledge of the person executing such certificate the Landlord or Tenant is then in default of any obligation hereunder (specifying the nature of such default) and any other fact or condition reasonably requested by the Landlord of such Mortgagee; and acknowledging and agreeing that any statement contained in such certificate may be relied upon by the Landlord and such Mortgagee.

15. NOTICES

Any notice to be given hereunder shall be given in writing and sent by certified or registered mail, postage prepaid, return receipt requested, to the address set forth in the first paragraph hereof or to such other address as may set forth in writing by either party to the other, or, in the case of the Tenant, notice may be delivered to the address of the Premises, or if such party's receipt is acknowledged in writing, then upon hand-delivery to such party.

16. GENERAL

- A. This Lease shall become effective upon its execution and delivery. This Lease represents the complete understanding between the parties and supersedes all prior written or oral negotiations, representations, statements or agreements between them. This Lease may be amended only by an instrument executed and delivered by each party hereto. This Lease shall be given effect and construed by application of the laws of Maryland.
- B. The captions and numbered sections of this Lease are inserted for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms or provisions of this Lease.
- C. All the provisions of this Lease shall be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate Section hereof, and all the provisions hereof shall bind and enure to the

benefit of the parties hereto, and their respective heirs, legal representatives, successors, sublessees and assigns except that this provision shall not be deemed to permit any assignment, sublease or other transfer of this Lease by Tenant that is not permitted or provided for herein nor shall this provision grant a transfer of any of Tenant's rights hereunder unless specifically permitted hereunder.

- D. Tenant agrees that Tenant shall look solely to Landlord's interest in the Premises for the satisfaction of any claim, judgment or decree requiring the payment of money by Landlord based upon any default of Landlord under this Lease, and no other property of Landlord shall be subject to levy, execution or other enforcement procedure for the satisfaction of any such claim, judgment, injunction or decree. Neither Landlord nor any of its officers, directors, shareholders, affiliates, parents, subsidiaries, agents or employees shall be held personally liable.
- E. The submission of this Lease for examination does not constitute a reservation of or option for the Premises and this Lease becomes effective as a Lease only upon execution and delivery thereof by Landlord and Tenant.
- F. Landlord and Tenant hereby waive trial by jury in any action, proceeding or counter-claim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with the Lease, the relationship of Landlord or Tenant, Tenant's use or occupancy of the Premises and/or any claim of injury or damage.
- G. Landlord shall not be deemed to have waived any right it holds hereunder unless such waiver is made expressly and in writing.
- H. Time shall be of the essence of this Lease. The headings herein are for convenience only.
- I. Tenant shall immediately bond or have released any mechanics or similar liens filed as a result of labor or materials provided for the Tenant or any of its contractors or subcontractors, or otherwise arising out of Tenant's use and occupancy of the Premises and shall defend, indemnify and hold harmless the Landlord from and against the same.
- J. The term "person" means and includes a natural person, trustee, corporation, partnership and any other form of legal entity.
- K. All references in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders. The singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well.

- L. No determination by any court or governmental body that any provision of this Lease or any amendment hereto is invalid or unenforceable in any instance shall affect the validity or enforceability of any other provision, or of such provision in any circumstance not controlled by such determination.
- M. As used herein the term "Landlord" means the person named above as such, its successors and assigns each of whom shall have the same right, remedies, powers, authorities and privileges as it would have had, had it originally signed this Lease as a Landlord.
- N. As used herein, the term "the Tenant" means each person hereinabove named as such and such person's heirs, personal representatives, successors and assigns, each of whom shall have the same obligations, liabilities, rights and privileges as it would have possessed had it originally executed this Lease as the Tenant; provided that no such right or privilege shall inure to the benefit of any assignee or subleasee unless such assignment or sublease is made in accordance with provisions herein. When two or more persons constitute the Tenant, all of such persons shall be jointly and severally liable for performing the Tenant's obligations hereunder.
- O. No Mortgagee not in possession shall have any liability hereunder.

17. THIRD PARTY SALE

Nothing herein shall imply that sale of the Property to a third party will affect the terms or validity of this Lease whatsoever, and in the event of any such sale, this Lease shall continue in full force and effect with any subsequent owner during the base term or any extension thereof.

18. TERMINATION OPTION UPON TENANT'S SALE, DEATH OR INCAPACITY

In the event of the sale of a controlling interest in Tenant (hereinafter "sale of Tenant's business"), or in the event of the death or incapacity of Tenant's Managing Principal, Edward Galligan (hereinafter "Tenant's death or incapacity") (collectively "Tenant's sale, death or incapacity"), Landlord agrees to reasonably cooperate in the transfer of Tenant's existing business. If Tenant and/or its successor in interest by virtue of the sale of Tenant's business or Tenant's death or incapacity (hereinafter "Tenant's successor") desires to invoke the provisions of this Paragraph, Tenant or Tenant's successor shall provide written notice to Landlord of Tenant's sale, death or incapacity (hereinafter "the Notice of Tenant's sale, death or incapacity"). Tenant, and/or Tenant's successor, shall continue to pay rent for a maximum of eighteen (18) months after the date of Landlord's receipt of the Notice of Tenant's sale, death or incapacity. Tenant's successor in that event shall have the option to continue operation of Tenant's business at the Premises or to transfer the business to another location at its sole cost and expense. If Tenant's

successor opts to continue operations at the Premises, Landlord shall reasonably cooperate in negotiating a new lease with Tenant's successor to commence eighteen (18) months from the date of Landlord's receipt of the Notice of Tenant's sale, death or incapacity. If Tenant's successor opts to move to another location, rent will continue to be paid for the Premises for eighteen (18) months from the date of Landlord's receipt of the Notice of Tenant's sale, death, or incapacity, and Landlord agrees not sublet or rent to another pharmacy during this eighteen (18) month period. All obligations of this Lease will terminate eighteen months after Landlord's receipt of the Notice of Tenant's death, incapacity or sale.

[Signatures on next page]

IN WITNESS THEREOF, the parties have executed and sealed this Lease the date and year first above written.

WITNESS:

TOWN OF MOUNT AIRY, MD

By:

Patrick T. Rockinberg, Mayor
("Landlord/Owner")

MED ONE PHARMACY, INC.

By:

Edward Galligan, President
("Tenant")

WITNESS:

STATE OF MARYLAND)

) TO WIT:

COUNTY OF CARROLL)

I HEREBY CERTIFY that on this _____ day of April, 2019, before me, the undersigned, a Notary Public, personally appeared Patrick T. Rockinberg who acknowledged himself/herself to be Mayor of the Town of Mount Airy, MD, and that he/she, as such, being authorized to do so, executed the foregoing instrument in the capacity herein stated and for the purposes herein contained, by signing the name of the Town of Mount Airy, MD, by himself/herself as Mayor.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

IN WITNESS THEREOF, the parties have executed and sealed this Lease the date and year first above written.

WITNESS:

TOWN OF MOUNT AIRY, MD

By: _____

Patrick T. Rockinberg, Mayor
("Landlord/Owner")

WITNESS:

MED.ONE PHARMCY, INC.

By: _____

Edward Galligan, President
("Tenant")

STATE OF MARYLAND)

) TO WIT:

COUNTY OF CARROLL)

I HEREBY CERTIFY that on this _____ day of April, 2019, before me, the undersigned, a Notary Public, personally appeared **Patrick T. Rockinberg** who acknowledged himself/herself to be **Mayor of the Town of Mount Airy, MD**, and that he/she, as such, being authorized to do so, executed the foregoing instrument in the capacity herein stated and for the purposes herein contained, by signing the name of the **Town of Mount Airy, MD**, by himself/herself as Mayor.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

STATE OF MARYLAND)

) TO WIT:

COUNTY OF CARROLL)

I HEREBY CERTIFY that on this _____ day of April, 2019, before me, the undersigned, a Notary Public, personally appeared **Edward Galligan** who acknowledged himself/herself to be the **President of Med.One Pharmacy, Inc.** and that he/she, as such, being authorized to do so, executed the foregoing instrument in the capacity herein stated and for the purposes herein contained, by signing the name of **Med.One Pharmacy, Inc.**, by himself/herself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

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